REMARKS

Applicants amend claim 44. No new matter has been added with this Response. Reconsideration of the rejections discussed in light of the following remarks is therefore respectfully solicited. Applicant submits that current claims 44-58 are in condition for allowance.

In the Non-Final Office Action mailed July 8, 2005, the Examiner rejected claims 44-58 under 35 U.S.C. § 103(a). Specifically, the Examiner cited several references in establishing these rejections, particularly rejecting claims 44-47 and 51-54 as being unpatentable over U.S. Patent 6,766,305 to Fucarile et al. (hereinafter "Fucarile") in view of U.S. Patent Application Publication 2002/0087476 to Salas et al. (hereinafter "Salas"). In making this rejection, the Office Action stated that Fucarile "does not disclose a license associated with the selected content" and that it would have been obvious to modify Fucarile with Salas "to include a license associated with the selected content... for the license to be pertinent to the user and the licensor such that the wrong license does not get associated with the wrong content."

Applicants amend independent claim 44 to further describe the use of a license with the method of controlling distribution of content over a network enabled device. Applicants therefore submit that the combination of Fucarile and Salas does not disclose their use of a license as set forth in the amended claim.

The abstract of Salas teaches generating a license string for a product and transmitting the license string to a user of the product as part of a method of controlling access to the product.

However, the specification of Salas makes clear that its license string is different than that disclosed in Applicants' claims. In Salas, a requestor of a product must input the license string

into the product in order to gain access. In Applicant's claims, however, the license and the selected content are distributed to the user. When the user attempts to gain access to the selected content, its computer automatically verifies the presence of a proper license was that access conditions are met, independent of any user interaction with the license. Thus, the user is not required to take any action to show that he or she possesses a license associated with the selected content. The user never sees the license and does not enter any license string into the selected content.

For example, at col. 10, paragraph 130, Salas states that "The license string may be derived from information associated with the product, information associated with the request, or other information that allows the license string to be verified when entered into the product by a user to gain access to the product." (emphasis added). Additionally, at col. 10, paragraph 132, Salas states that "The product receives the license string input by the requestor (step 1308). The requester may input the license string by typing the license string into an entry field provided by the product." (emphasis added). Furthermore, at col. 10, paragraph 133, Salas states that "The product verifies the license string input by the requestor" (emphasis added).

As discussed above, in Applicant's invention, when a user wishes to view selected content, his or her computer contacts a network video server to automatically verify that the user has a proper license for the selected digital video signal independently of any user interaction with the license. (Specification, p. 19.) Applicants' use of a license is further exemplified in the following passage from p. 22-23 of the specification:

"At step 402, the user has downloaded content from the network server computer to the user's computer while concurrently purchasing a license for the content. Authentication of the license may be based on a key derived from the user's computer system (or other storage device), the user's movie player software, or from

the content. The key may also be authenticated based on a combination of information derived from these sources. Thus, under the circumstances illustrated in step 402, when the user activates the movie player software at step 410, the user will contact the main website and the license that was purchased when the content was downloaded to the user's computer will be authenticated if the key contains the expected information.

As an example, if the user downloaded the content to the user's machine and the key was based on information derived from that machine, then the user's license is authenticated at step 410 as long as the user is activating the movie player software on the same computer, because the information contained in the key matches the expected information. Thus, the user could proceed to step 414 and could view the content. However, if the content that was downloaded to an matched to the user's computer was then transferred to another computer, when the user of that computer activates the movie player software at step 410 and contacts the main website, the license is not authenticated because the key does not contain the expected information. Thus, the user proceeds to step 416 and is prompted to purchase a valid license for the content. If the user purchases a license, the user proceeds to step 414 and can view the content."

Therefore, as compared to the discussion of Salas's use of a license string, Salas does not disclose the license contemplated in Applicants' invention. The user does not enter a license string into any product in Applicants' system to allow selected content to be viewed, as is the case with the invention of Salas.

Because claims 45-58 all depend from independent claim 44, Applicants respectfully submit that all pending claims are now in condition for allowance in view of the above amendment and remarks.

CONCLUSION

Applicants therefore respectfully submit that the cited references, either alone or in combination, do not teach all of the elements of Applicants' claims. In view of the above

amendments and remarks, it is submitted that this application is now ready for allowance. If, in the opinion of the Examiner, a telephone conference would expedite the prosecution of the subject application, the Examiner is invited to call the undersigned attorney at (213) 896-6897.

Respectfully submitted,

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